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Question1: Land prices rise as farm size increases leading to escalating rental prices that make it virtually impossible for new farmers to enter agriculture. The rural community, including new farmers and ranchers, suffer as more aggressive large farms obtain higher profits from USDA commodity programs. This in turn allows large farms to out-bid smaller and beginning farmers leading to large farms dominating rural landscapes and threatening rural America. Payment limitations should be placed on commodity subsidies, capping levels at \$250,000 or less and eliminating loopholes.

In place of commodity program payments, farm assistance should provide consultants or advisors who help farmers develop more environmentally sound management plans. Farm Bill policy should consider cost sharing (EQIP) on consultants for three years to help new farmers and ranchers develop a business plan and make more intelligent decisions. Included in this program may be developing incentives for retiring farmers to rent or sell land and other assets to beginning farmers on favorable terms.

Continued development, extension and funding of current farm bill programs are needed to meet research, marketing, conservation, and risk management needs of beginning farmers. This includes the Beginning Farmer and Rancher Development Program, the Sustainable Agriculture Research and Education (SARE) program, the Value-Added Program Grants (VAPG) programs. This will also funnel more of these funds towards small and medium sized farms and beginning farmers and ranchers.

Question2: Many of our scientist members of the American Society of Agronomy, Crop Science Society of America, Soil Science Society of America travel internationally and recognize that many of our competitors have cheap labor but poor transportation facilities. The U.S. transportation system is good and so we should be able to build upon delivery of a quality product. The U.S. Farm Bill policy should strive to identify, document, and guarantee the quality of our products so that once transportation barriers are over come by our competitors we maintain an advantage.

Question3: Government programs in the Farm Bill should be designed to encourage protection of the water, air, and soil resources. Farm Bill programs shouldn't be paying farmers to fix problems that were previously funded (i.e., CRP lands that are brought back into row crop or grain production only to find that increased erosion necessitates they be put back into a CRP type program). Programs and policy might include that farmers document what they are doing to protect the environment and that incentives be provided accordingly.

Reforms to farm commodity programs are needed to reduce overproduction, market distortion and unfair world market prices while still providing a safety net for farmers who otherwise suffer from below cost market prices. Subsidies based on the area under production or the

amount produced doesn't get at the environmental cost paid by society. The markets should be allowed to float instead of providing approximately 20% of farm income in the form of subsidies. Some product reserves are necessary but beyond that policy should allow supply and demand to dictate prices paid and received for agricultural goods.

Though artificially propping up the agricultural segment has been good for the previous economy, it is clear that we must look within the United States for solutions to low profitability for farmers rather than looking to international trade. Legislation and regulations creating fair competition at home is needed so that farmers and ranchers may thrive domestically as well as in global markets. Fair competition is currently prevented by unfair contracts, price manipulation, and discrimination against independent farmers.

In addition to subsidy reforms, agricultural policy should also focus on reducing the market power of agribusiness conglomerates and reforming tariffs. Market concentration distorts national and international markets by concentrating political power. This concentrated political power prevents needed reform addressing subsidies, tariffs, other market distorting policies and contributes to export dumping. Current policy makes it more difficult for incoming farmers to compete with large agribusiness when prices drop below the cost of production. Enhancing anti-trust enforcement in agri-business would help to reduce the influence of market concentration on small and medium sized farms.

The impact of removing subsidies and the new international standard of living should not be a burden carried only by farmers. Society needs to participate and farmers provided carefully guided incentives. Reforms to commodity subsidies and payment limits would help capture dollars for consultants, advisors, and technical service providers to help farmers develop environmentally sound practices, sustainable management plans, and marketing strategies. Savings could be used to expand the Conservation Security Program to support all eligible farmers on a nationwide basis as intended in the 2007 Farm Bill.

Question4: Farm policy could best achieve conservation and environmental goals by supporting basic and applied scientific research in those areas. Acquiring the new knowledge and understanding needed to address these conservation and environmental issues requires research. Effective deployment of this knowledge requires technology transfer through investments in education, extension, and consultant/advisor training activities for entering and interested farmers and ranchers. Furthermore, high-energy prices demand implementing fuel conservation or alternative energy strategies to power farm machinery, produce fertilizers and agrichemicals, pump irrigation water, and process farm products. These technologies still need to be researched, developed, and tested to ensure the policy that follows is in line with conservation and environmental goals. This has been a true weakness of past farm bills with many decisions not based on sound scientific principals. The need for science in these discussions is critical to the success of both conservation and environmental practices that are both well-founded and profitable for our producers.

The commodity portion of the Farm Bill strongly supports all-out production causing soil stewardship and conservation to take a distant back seat. If the rural community is to be sustained and its value enhanced, we need a more equal division between commodity payments and conservation payments. It is not visionary that the CSP program is continuously targeted to offset budget constraints. Taxing all processed goods (not only raw goods) that have an origin in agriculture, horticulture, forestry, and fisheries would provide funds that could be used to support conservation and environmental efforts. In this way, all consumers would pay something in a manner similar to a value added tax

or national sales tax.

Question5: Rural America needs more than a bill that pays farmers to grow unlimited amounts of program crops at the expense of resource (soil, water, and air) stewardship, animal agriculture, and rural quality of life. Rural enhancement projects should be sure to address the many rural issues like small and medium sized farms, beginning farmers, small businesses, diversification and resource protection in addition to farm production. Economics and the prospects for an improved standard of living are drawing individuals and families away from the farm and rural communities. Subsidies are not a way to change this trend because many things beyond farmer income contribute to the services and amenities of a rural community. The dynamics of rural communities are largely affected by the mobility of the individuals as well as the ability to communicate with the rest of the world. Ensuring that rural schools are equipped with new technologies, excellent teachers, and providing opportunities for students will go a long way toward keeping rural communities vibrant. This might mean providing subsidies to rural communities to support better schools.

Question6: A true drawback to the last farm bill was the lack of emphasis on research. The 2007 Farm Bill should provide funding for market and product development and a stronger commitment to both basic and applied research. Research funding continues to erode yet basic and applied research is the foundation for our producers to continue to be competitive in both the domestic and international market. The following current programs addressing these issues that should continue to be funded and improved include the National Research Initiative/Initiative for Future Agriculture and Food Systems, Sustainable Agriculture Research and Education (SARE), and Value Added Program Grant, Rural Business Enterprise Grants. Agricultural product and marketing could be improved by increasing funding for expansion of organic research, outreach, and data collection. National agricultural markets could be expanded by increased funding for the Farmers Market Promotion Program and greater support of the Farm-to-Cafeteria program passed in the 2002 Farm Bill.

Economics are driving agriculture to larger and larger operations, which results in less and less interaction of the managers with the land and resources. Managers need to regain intimacy with the land through employment of such technologies as remote sensing and other decision aid tools. Unfortunately, the skills needed to implement these tools can be intimidating to producers and turn-key operations have not been fully developed. A new level of consultant assistance will probably be required if this level of management evolves. It will also need to be tied to product quality and environmental attributes to pay for the service.